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RECORDATION NO. _____ PAGE 2 OF 2

MAY 1 1972 - 10 AM

INTERSTATE COMMERCE COMMISSION

LEASE OF RAILROAD EQUIPMENT

Dated as of April 1, 1972

between

BANKERS TRUST COMPANY, as Trustee

and

WESTERN MARYLAND RAILWAY COMPANY

LEASE OF RAILROAD EQUIPMENT, dated as of April 1, 1972, between BANKERS TRUST COMPANY, as Trustee under a trust agreement dated as of April 1, 1972, with GENERAL ELECTRIC CREDIT CORPORATION, as beneficiary (said Trustee and said beneficiary being hereinafter called the Lessor and the Beneficiary, respectively) and WESTERN MARYLAND RAILWAY COMPANY (hereinafter called the Lessee).

WHEREAS, the Lessor has entered into a Reconstruction and Conditional Sale Agreement dated as of April 1, 1972 (hereinafter called the Reconstruction and Conditional Sale Agreement), with the Lessee, WESTERN MARYLAND COMPANY (hereinafter called the Builder) and DOLLAR SAVINGS BANK (hereinafter called the Vendor), wherein the Vendor has agreed to sell to the Lessor its interest in the railroad equipment described in Schedule A hereto after it has been reconstructed by the Builder;

WHEREAS, the Lessee desires to lease all the units of said equipment, or such lesser number as are delivered and accepted and settled for under the Reconstruction and Conditional Sale Agreement on or prior to December 15, 1972, (such units described in Schedule A hereto being hereinafter called the Units), at the rentals and for the terms and upon the conditions hereinafter provided;

NOW, THEREFORE, in consideration of the premises and of the rentals to be paid and the covenants hereinafter mentioned to be kept and performed by the Lessee, the Lessor hereby leases the Units to the Lessee upon the following terms and conditions, but, upon default of the Lessee hereunder or under the Reconstruction and Conditional Sale Agreement, subject to all the rights and remedies of the Vendor under such Reconstruction and Conditional Sale Agreement:

§ 1. *Delivery and Acceptance of Units.* The Lessor will cause each Unit to be tendered to the Lessee at the point or points within the United States of America at which such Unit is delivered to the Lessor under the Reconstruction and Conditional Sale Agreement. Upon such tender, the Lessee will cause an authorized representative of the Lessee to inspect the same, and if such Unit is found to be in good order, to accept delivery of such Unit and execute and deliver to the Lessor a certificate of acceptance and delivery (hereinafter called the Certificate of Delivery), whereupon such Unit shall be deemed to have been delivered to and accepted by the Lessee and shall be subject thereafter to all the terms and conditions of this Lease.

§ 2. *Rental.* The Lessee agrees to pay to the Lessor as rental for each Unit subject to this Lease 31 consecutive semiannual payments, each payable on the business day preceding February 1 and August 1 in each year, commencing February 1, 1973. The first such semiannual rent payment shall be in an amount equal to .0002713 of the Purchase Price (as defined in the Reconstruction and Conditional Sale Agreement) of each Unit for each day elapsed from and including the date such Unit is settled for under the Reconstruction and Conditional Sale Agreement to February 1, 1973. The remaining 30 semiannual rental payments in respect of each Unit subject to this Lease shall be an amount equal to .04883 of the Purchase Price of each such Unit subject to this Lease.

The Lessee agrees to make all the payments provided for in this Lease to the Lessor in immediately available New York funds (including but not limited to the payments required under § 6 hereof).

This Lease is a net lease and the Lessee shall not be entitled to any abatement of rent, reduction thereof or setoff against rent, including, but not limited to, abatements,

the Reconstruction and Conditional Sale Agreement not covered by the foregoing paragraph of this § 5, the Lessee shall pay such additional amounts (which shall also be deemed impositions hereunder) to the Lessor as will enable the Lessor to fulfill completely its obligations pursuant to said Article 5.

In the event any reports with respect to impositions are required to be made on the basis of individual Units, the Lessee will either make such reports in such manner as to show the interests of the Lessor and the Vendor in such Units or notify the Lessor and the Vendor of such requirement and make such reports in such manner as shall be satisfactory to the Lessor and the Vendor.

In the event that, during the continuance of this Lease, the Lessee becomes liable for the payment or reimbursement of any impositions, pursuant to this § 5, such liability shall continue, notwithstanding the expiration of this Lease, until all such impositions are paid or reimbursed by the Lessee.

§ 6. *Payment for Casualty Occurrences.* In the event that any Unit shall be or become worn out, lost, stolen, destroyed or, in the opinion of the Lessee, irreparably damaged, from any cause whatsoever, or taken or requisitioned by condemnation or otherwise (each such occurrence being hereinafter called a Casualty Occurrence) during the term of this Lease, the Lessee shall, within eight days after it shall have determined that such Unit has suffered a Casualty Occurrence, fully notify the Lessor and the Vendor in writing with respect thereto. On the business day preceding February 1 or August 1 next succeeding such notice (but not earlier than August 1, 1973) the Lessee shall pay to the Lessor an amount equal to the accrued rental for such Unit to the date of such payment plus a sum equal to the Casualty Value (as hereinafter defined) of such Unit as of such February 1 or August 1, as the case may be, in accord-

ance with the schedule set out below. Upon the making of such payment by the Lessee in respect of any Unit, the rental for such Unit shall cease to accrue as of the date of such payment, the term of this Lease as to such Unit shall terminate and the Lessor shall be entitled to recover possession of such Unit.

The Casualty Value of each Unit shall be determined by multiplying the Purchase Price of such Unit by the applicable percentages set forth opposite each date in the following schedule:

Rental Payment Date	Percentage of Purchase Price	Rental Payment Date	Percentage of Purchase Price
8/1/73	103.31%	2/1/81	66.12%
2/1/74	103.02	8/1/81	63.14
8/1/74	102.51	2/1/82	60.63
2/1/75	101.78	8/1/82	56.79
8/1/75	100.84	2/1/83	53.45
2/1/76	95.60	8/1/83	50.01
8/1/76	94.27	2/1/84	46.46
2/1/77	92.75	8/1/84	42.83
8/1/77	91.05	2/1/85	39.11
2/1/78	84.96	8/1/85	35.31
8/1/78	82.91	2/1/86	31.43
2/1/79	80.68	8/1/86	27.46
8/1/79	78.30	2/1/87	23.41
2/1/80	71.65	8/1/87	19.28
8/1/80	68.96	2/1/88	15.00

Except as hereinabove in this § 6 provided, the Lessee shall not be released from its obligations hereunder in the event of, and shall bear the risk of, any Casualty Occurrence to any Unit after delivery to and acceptance thereof by the Lessee hereunder.

§ 7. *Annual and Quarterly Reports.* On or before March 31 in each year, commencing with the year 1973, the Lessee

will cause to be furnished to the Lessor and the Vendor an accurate statement, as of the preceding December 31, (a) showing the amount, description and numbers of the Units then leased hereunder and/or covered by the Reconstruction and Conditional Sale Agreement, the amount, description and number of all Units that may have suffered a Casualty Occurrence during the preceding twelve months (or since the date of this Lease in the case of the first such statement) and such other information regarding the condition and state of repair of the Units as the Lessor or the Vendor may reasonably request, and (b) stating that, in the case of all Units repainted or repaired during the period covered by such statement, the markings required by § 4 hereof and Article 9 of the Reconstruction and Conditional Sale Agreement shall have been preserved or replaced. The Lessor shall have the right at its sole cost, risk and expense, by its authorized representatives, to inspect the Units and the Lessee's records with respect thereto, at such times as shall reasonably be necessary to confirm to the Lessor the existence and proper maintenance of the Units during the continuance of **this** Lease.

In each year, commencing with the year 1973, the Lessee will deliver to the Trustee and the Vendor (i) as soon as available, and in any event within 90 days after the end of each fiscal year, copies of the annual report of the Railroad to its stockholder's containing the consolidated balance sheet of the Railroad as at the end of the preceding fiscal year, the consolidated statement of earnings of the Railroad and the consolidated statement of earnings reinvested in the business of the Railroad for such fiscal year, and (ii) as soon as available, and in any event within 45 days after the end of each calendar quarter, copies of the quarterly statement made available to the public of the

consolidated earnings of the Railroad as at the end of the preceding calendar quarter.

§ 8. *Disclaimer of Warranties; Compliance with Laws and Rules; Maintenance; and Indemnification.* **The Lessor makes no warranty or representation, either express or implied, as to the design or condition of, or as to the quality of the material, equipment or workmanship in, the Units delivered to the Lessee hereunder, and the Lessor makes no warranty of merchantability or fitness of the Units for any particular purpose or as to title to the Units or any component thereof,** it being agreed that all such risks, as between the Lessor and the Lessee, are to be borne by the Lessee. The Lessee's acceptance of delivery of the Units shall be conclusive evidence as between the Lessee and the Lessor that all Units described in the Certificate of Delivery are in all the foregoing respects satisfactory to the Lessee and the Lessee will not assert any claim of any nature whatsoever against the Lessor based on any of the foregoing matters.

The Lessee agrees, for the benefit of the Lessor and the Vendor, to comply in all respects with all laws of the jurisdictions in which the Units may be operated, with the interchange rules of the Association of American Railroads, if applicable, and with all lawful rules of the Department of Transportation and the Interstate Commerce Commission and any other legislative, executive, administrative or judicial body exercising any power or jurisdiction over the Units. In the event that such laws or rules require the alteration of the Units or in case any equipment or appliance on any such Unit shall be required to be changed or replaced, or in case any additional or other equipment or appliance is required to be installed on such Unit in order to comply with such laws and rules, the Lessee agrees to make such alterations, changes, additions and replacements at its own ex-

the Reconstruction and Conditional Sale Agreement not covered by the foregoing paragraph of this § 5, the Lessee shall pay such additional amounts (which shall also be deemed impositions hereunder) to the Lessor as will enable the Lessor to fulfill completely its obligations pursuant to said Article 5.

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In the event that, during the continuance of this Lease, the Lessee becomes liable for the payment or reimbursement of any impositions, pursuant to this § 5, such liability shall continue, notwithstanding the expiration of this Lease, until all such impositions are paid or reimbursed by the Lessee.

§ 6. *Payment for Casualty Occurrences.* In the event that any Unit shall be or become worn out, lost, stolen, destroyed or, in the opinion of the Lessee, irreparably damaged, from any cause whatsoever, or taken or requisitioned by condemnation or otherwise (each such occurrence being hereinafter called a Casualty Occurrence) during the term of this Lease, the Lessee shall, within eight days after it shall have determined that such Unit has suffered a Casualty Occurrence, fully notify the Lessor and the Vendor in writing with respect thereto. On the business day preceding February 1 or August 1 next succeeding such notice (but not earlier than August 1, 1973) the Lessee shall pay to the Lessor an amount equal to the accrued rental for such Unit to the date of such payment plus a sum equal to the Casualty Value (as hereinafter defined) of such Unit as of such February 1 or August 1, as the case may be, in accord-

ance with the schedule set out below. Upon the making of such payment by the Lessee in respect of any Unit, the rental for such Unit shall cease to accrue as of the date of such payment, the term of this Lease as to such Unit shall terminate and the Lessor shall be entitled to recover possession of such Unit.

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8/1/80	68.96	2/1/88	15.00

Except as hereinabove in this § 6 provided, the Lessee shall not be released from its obligations hereunder in the event of, and shall bear the risk of, any Casualty Occurrence to any Unit after delivery to and acceptance thereof by the Lessee hereunder.

§ 7. *Annual and Quarterly Reports.* On or before March 31 in each year, commencing with the year 1973, the Lessee

will cause to be furnished to the Lessor and the Vendor an accurate statement, as of the preceding December 31, (a) showing the amount, description and numbers of the Units then leased hereunder and/or covered by the Reconstruction and Conditional Sale Agreement, the amount, description and number of all Units that may have suffered a Casualty Occurrence during the preceding twelve months (or since the date of this Lease in the case of the first such statement) and such other information regarding the condition and state of repair of the Units as the Lessor or the Vendor may reasonably request, and (b) stating that, in the case of all Units repainted or repaired during the period covered by such statement, the markings required by § 4 hereof and Article 9 of the Reconstruction and Conditional Sale Agreement shall have been preserved or replaced. The Lessor shall have the right at its sole cost, risk and expense, by its authorized representatives, to inspect the Units and the Lessee's records with respect thereto, at such times as shall reasonably be necessary to confirm to the Lessor the existence and proper maintenance of the Units during the continuance of **this** Lease.

In each year, commencing with the year 1973, the Lessee will deliver to the Trustee and the Vendor (i) as soon as available, and in any event within 90 days after the end of each fiscal year, copies of the annual report of the Railroad to its stockholder's containing the consolidated balance sheet of the Railroad as at the end of the preceding fiscal year, the consolidated statement of earnings of the Railroad and the consolidated statement of earnings reinvested in the business of the Railroad for such fiscal year, and (ii) as soon as available, and in any event within 45 days after the end of each calendar quarter, copies of the quarterly statement made available to the public of the

consolidated earnings of the Railroad as at the end of the preceding calendar quarter.

§ 8. *Disclaimer of Warranties; Compliance with Laws and Rules; Maintenance; and Indemnification.* **The Lessor makes no warranty or representation, either express or implied, as to the design or condition of, or as to the quality of the material, equipment or workmanship in, the Units delivered to the Lessee hereunder, and the Lessor makes no warranty of merchantability or fitness of the Units for any particular purpose or as to title to the Units or any component thereof,** it being agreed that all such risks, as between the Lessor and the Lessee, are to be borne by the Lessee. The Lessee's acceptance of delivery of the Units shall be conclusive evidence as between the Lessee and the Lessor that all Units described in the Certificate of Delivery are in all the foregoing respects satisfactory to the Lessee and the Lessee will not assert any claim of any nature whatsoever against the Lessor based on any of the foregoing matters.

The Lessee agrees, for the benefit of the Lessor and the Vendor, to comply in all respects with all laws of the jurisdictions in which the Units may be operated, with the interchange rules of the Association of American Railroads, if applicable, and with all lawful rules of the Department of Transportation and the Interstate Commerce Commission and any other legislative, executive, administrative or judicial body exercising any power or jurisdiction over the Units. In the event that such laws or rules require the alteration of the Units or in case any equipment or appliance on any such Unit shall be required to be changed or replaced, or in case any additional or other equipment or appliance is required to be installed on such Unit in order to comply with such laws and rules, the Lessee agrees to make such alterations, changes, additions and replacements at its own ex-

pense; and the Lessee agrees at its own expense to use, maintain and operate such Unit in full compliance with such laws and rules so long as it is subject to this Lease; *provided, however*, that the Lessee may, in good faith, contest the validity or application of any such law or rule in any reasonable manner which does not, in the opinion of the Lessor or the Vendor, adversely affect the property or rights of the Lessor or the Vendor hereunder or under the Reconstruction and Conditional Sale Agreement.

The Lessee agrees that, at its own cost and expense, it will maintain and keep each Unit which is subject to this Lease in good order and repair.

Any and all additions to any Unit and any and all parts installed on or replacements made to any Unit shall be considered accessions to such Unit and, at the cost and expense of the Lessee, full ownership thereof free of any lien, charge, security interest or encumbrance (except for those created by the Reconstruction and Conditional Sale Agreement) shall immediately be vested in the Lessor and the Vendor as their respective interests appear in the Unit itself.

The Lessee agrees to indemnify, protect and hold harmless the Lessor and the Vendor from and against all losses, damages, injuries, liabilities, claims and demands whatsoever, regardless of the cause thereof, and expenses in connection therewith, including, but not limited to, counsel fees and expenses, patent liabilities, penalties and interest, arising out of or as the result of the entering into or the performance of the Reconstruction and Conditional Sale Agreement or this Lease, the ownership of any Unit, the ordering, acquisition, use, operation, condition, purchase, delivery, rejection, storage or return of any Unit or any accident in connection with the operation, use, condition, possession, storage or return of any Unit resulting in damage to property or injury or death to any person.

The Lessee agrees to prepare and deliver to the Lessor within a reasonable time prior to the required date of filing (or, to the extent permissible, file on behalf of the Lessor) any and all reports (other than income tax returns) to be filed by the Lessor with any federal, state or other regulatory authority by reason of the ownership by the Lessor or the Vendor of the Units or the leasing thereof to the Lessee.

§ 9. *Default.* If, during the continuance of this Lease, one or more of the following events (hereinafter sometimes called Events of Default) shall occur :

A. default shall be made in the payment of any part of the rental provided in § 2 hereof and such default shall continue for five days ;

B. the Lessee shall make or permit any unauthorized assignment or transfer of this Lease or of possession of the Units, or any thereof ;

C. default shall be made in the observance or performance of any other of the covenants, conditions and agreements on the part of the Lessee contained herein or in the Reconstruction and Conditional Sale Agreement and such default shall continue for 30 days after written notice from the Lessor to the Lessee specifying the default and demanding that the same be remedied ;

D. any proceedings (other than proceedings under Section 77 of the Bankruptcy Act) shall be commenced by or against the Lessee for any relief under any bankruptcy or insolvency laws, or laws relating to the relief of debtors, readjustments of indebtedness, reorganizations, arrangements, compositions or extensions (other than a law which does not permit any readjustments of the obligations of the Lessee hereunder or under the Reconstruction and Conditional Sale Agreement),

certified mails, first-class postage prepaid, addressed as follows:

if to the Lessor, at P. O. Box 318, Church Street Station, New York, N. Y. 10015, Attention: Corporate Trust Division (with a copy to General Electric Credit Corporation, at P. O. Box 8300, Stamford, Connecticut 06904 and at P. O. Box 81 (North Station), White Plains, N. Y. 10603);

if to the Lessee, at 201 Charles Street, Baltimore, Maryland;

or addressed to either party at such other address as such party shall hereafter furnish to the other party in writing.

§ 18. *Severability; Effect and Modification of Lease.* Any provision of this Lease which is prohibited or unenforceable in any jurisdiction, shall be, as to such jurisdiction, ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

This Lease exclusively and completely states the rights of the Lessor and the Lessee with respect to the leasing of the Units and supersedes all other agreements, oral or written, with respect thereto. No variation or modification of this Lease and no waiver of any of its provisions or conditions shall be valid unless in writing and signed by duly authorized officers of the Lessor and the Lessee.


§ 19. *Execution.* This Lease may be executed in several counterparts, each of which when so executed shall be deemed to be an original, and such counterparts together shall constitute but one and the same instrument. Although this Lease is dated as of April 1, 1972, for convenience, the actual date or dates of execution hereof by the parties

hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed.

§ 20. *Law Governing.* The terms of this Lease and all rights and obligations hereunder shall be governed by the laws of the State of New York; *provided, however,* that the parties shall be entitled to all rights conferred by Section 20c of the Interstate Commerce Act.

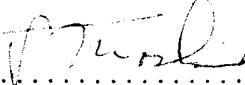
IN WITNESS WHEREOF, the parties hereto, each pursuant to due corporate authority, have caused this instrument to be executed in their respective corporate names by duly authorized officers, and their respective corporate seals to be hereunto affixed and duly attested, all as of the date first above written.

BANKERS TRUST COMPANY, as Trustee

by  Assistant Vice President

[CORPORATE SEAL]

Attest:

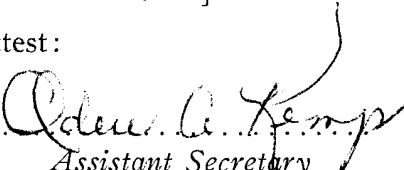

Assistant Secretary

WESTERN MARYLAND RAILWAY
COMPANY,

by  Vice President

[CORPORATE SEAL]

Attest:


Assistant Secretary

STATE OF NEW YORK }
COUNTY OF NEW YORK } ss.:

On this 27th day of April, 1972, before me personally appeared ROMANO I. PELUSO, to me personally known who, being by me duly sworn, says he is an assistant Vice President of BANKERS TRUST COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said banking association, that said instrument was this day signed and sealed on behalf of said banking association by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Amiel H. Epstein
Notary Public

[NOTARIAL SEAL]

AMIEL H. EPISTEIN
Notary Public, State of New York
No. 4540700
Qualified in New York County
Certificate of Qualification No. 259
Commission Expires March 10, 1973

STATE OF MARYLAND }
CITY OF BALTIMORE } ss.:

On this 28th day of April, 1972, before me personally appeared NORMAN C. MELVIN, to me personally known, who, being by me duly sworn, says that he is Vice President of WESTERN MARYLAND RAILWAY COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that such instrument was this day signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Barbara H. Whittington
Notary Public

[NOTARIAL SEAL]

My Commission Expires July 1, 1974.

SCHEDULE A

<u>Quantity</u>	<u>Description of Equipment</u>	<u>Lessee's Road Numbers</u>	<u>Unit Purchase Price</u>	<u>Aggregate Purchase Price</u>
150	40' 50-ton Box Cars	26501-26650	\$8,422.33	\$1,263,350

by 100 for the year in which the Loss occurs (such fraction is now $\frac{100}{100 - (.48)(100)}$). Such rate shall be adjusted for any changes in the federal, state or local tax laws after the date hereof, including changes affecting or concerning normal and surtax rates, surcharges, excess profits and other similar taxes, however denominated. If (other than for the reasons set forth below) there shall be a Loss, in whole or in part, of the ADR Deduction for any Unit, the Lessee shall, upon request of Lessor, pay to the Lessor, additional rental to compensate the Lessor for the consequent lost cumulative deferral of income tax liability (hereinafter called the Detriment), existing thereafter from time to time, as determined by the Lessor. Such Detriment shall be equal to the amount of cumulative additional income tax required to be paid by the Lessor on any increased taxable income from the time of the Loss until the end of the term of the Lease resulting from (i) the Loss and (ii) any increased taxable income during any or all years of the term of the Lease as a consequence of the adjustments which relate to the Loss. Said additional rental shall be an amount equal to $8\frac{1}{2}\%$ per annum multiplied by the Detriment applicable to each rental payment and further adjusted to provide for payment in equal amounts with each subsequent rental payment commencing with the first rental payment not less than five days after the Lessor notifies the Lessee of the required additional rental. This indemnification is intended to reimburse and make the Lessor whole for any increase in the Lessor's investment over the term of the Lease resulting from a loss of such income tax deferrals. For the purposes of this § 14, a Loss shall occur upon the earliest of (a) the happening of an event which may cause such Loss, (b) payment to the Internal Revenue Service of the tax increase resulting from such Loss or (c) the adjustment of the Lessor's tax return or of a consolidated tax return of which the Lessor

is a part to reflect such Loss. The Lessee will also pay any interest and penalties paid or which would be payable to the taxing authorities or jurisdiction if there were no other adjustments to said tax return; *provided, however*, that interest shall not run after the payment by the Lessee to the Lessor of the full amount of any indemnification then requested by the Lessor.

The Lessor shall not be entitled to a payment under this § 14 on account of any Loss or Detriment as a direct result of the occurrence of any of the following events:

- (i) a Casualty Occurrence with respect to such Unit, if the Lessee shall have paid to the Lessor the amounts stipulated under § 6 hereof;

- (ii) a voluntary transfer by the Lessor of legal title to such Unit, the disposition by the Lessor of any interest in such Unit or the reduction by the Lessor of its interest in the rentals from such Unit under the Lease, unless, in each case, an Event of Default shall have occurred and be continuing;

- (iii) the amendment either of the Hulk Purchase Agreement or the Transfer Agreement (as defined in the Reconstruction and Conditional Sale Agreement) or the Reconstruction and Conditional Sale Agreement without the prior written consent of the Lessee and such amendment causes the Lessor to sustain a loss or detriment;

- (iv) the failure of the Lessor to claim the Investment Credit or ADR Deduction, as applicable, in its income tax return for the appropriate year or the failure of the Lessor to follow proper procedure in claiming the Investment Credit or ADR Deduction, as applicable; or

- (v) the failure of the Lessor to have sufficient liability for tax against which to credit such Investment

Credit or sufficient income to benefit from the ADR Deduction, as applicable.

The Lessee's agreement to pay any sums which may become payable pursuant to this § 14 shall survive the expiration or other termination of this Lease.

On or before the first Closing Date occurring under the Reconstruction and Conditional Sale Agreement, the Lessor, as a condition to its obligation to lease the units to the Lessee hereunder, shall have received counterparts of the written opinion of Messrs. Cravath, Swaine & Moore addressed to the Lessor to the effect that for federal income tax purposes and upon such review and on the basis of such understandings as such counsel deem necessary:

A. the Lessor will be considered the owner of the Units; and

B. the Lessor will be entitled to (i) the 7% investment credit on that portion of the basis of the Units attributable to reconstruction, as provided for in Section 38 of the Code, and (ii) depreciation deductions with respect to that portion of the basis of the Units attributable to reconstruction, computed in accordance with any of the methods listed in Section 167(b) of the Code.

§ 15. *Recording; Expenses.* The Lessee will cause this Lease, the Reconstruction and Conditional Sale Agreement and any assignment hereof or thereof to be filed and recorded with the Interstate Commerce Commission in accordance with Section 20c of the Interstate Commerce Act. The Lessee will undertake the filing, recording and depositing and refiling, re-recording and redepositing required of the Lessor under Article 18 of the Reconstruction and Conditional Sale Agreement and will from time to time do and perform any other act and will execute, acknowledge, deliver, file, register, record and deposit (and will refile,

re-register, re-record or redeposit whenever required) any and all further instruments required by law or reasonably requested by the Lessor or the Vendor for the purpose of proper protection, to their satisfaction, of the Vendor's and the Lessor's respective interests in the Units, or for the purpose of carrying out the intention of this Lease or the Reconstruction and Conditional Sale Agreement; and the Lessee will promptly furnish to the Vendor and the Lessor evidences of all such filing, registering, recording or depositing, and an opinion or opinions of counsel for the Lessee with respect thereto satisfactory to the Vendor and the Lessor. This Lease and the Reconstruction and Conditional Sale Agreement shall be filed and recorded with the Interstate Commerce Commission prior to the delivery and acceptance hereunder of any Unit.

The Lessor will pay or cause to be paid the reasonable costs and expenses involved in the preparation and printing of this Lease and the Lessee will pay the reasonable costs and expenses involved in the recording of this Lease. The Lessor and the Lessee will each bear the respective fees and disbursements, if any, of their respective counsel.

§ 16. *Interest on Overdue Rentals.* Anything to the contrary herein contained notwithstanding, any nonpayment of rentals and other obligations when due hereunder shall result in the obligation on the part of the Lessee promptly to pay also an amount equal to 9% per annum of the overdue rentals for the period of time during which they are overdue.

§ 17. *Notices.* Any notice required or permitted to be given by either party hereto to the other shall be deemed to have been given when deposited in the United States

certified mails, first-class postage prepaid, addressed as follows:

if to the Lessor, at P. O. Box 318, Church Street Station, New York, N. Y. 10015, Attention: Corporate Trust Division (with a copy to General Electric Credit Corporation, at P. O. Box 8300, Stamford, Connecticut 06904 and at P. O. Box 81 (North Station), White Plains, N. Y. 10603);

if to the Lessee, at 201 Charles Street, Baltimore, Maryland;

or addressed to either party at such other address as such party shall hereafter furnish to the other party in writing.

§ 18. *Severability; Effect and Modification of Lease.* Any provision of this Lease which is prohibited or unenforceable in any jurisdiction, shall be, as to such jurisdiction, ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

This Lease exclusively and completely states the rights of the Lessor and the Lessee with respect to the leasing of the Units and supersedes all other agreements, oral or written, with respect thereto. No variation or modification of this Lease and no waiver of any of its provisions or conditions shall be valid unless in writing and signed by duly authorized officers of the Lessor and the Lessee.


§ 19. *Execution.* This Lease may be executed in several counterparts, each of which when so executed shall be deemed to be an original, and such counterparts together shall constitute but one and the same instrument. Although this Lease is dated as of April 1, 1972, for convenience, the actual date or dates of execution hereof by the parties

hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed.

§ 20. *Law Governing.* The terms of this Lease and all rights and obligations hereunder shall be governed by the laws of the State of New York; *provided, however,* that the parties shall be entitled to all rights conferred by Section 20c of the Interstate Commerce Act.

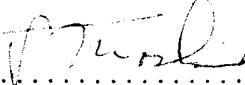
IN WITNESS WHEREOF, the parties hereto, each pursuant to due corporate authority, have caused this instrument to be executed in their respective corporate names by duly authorized officers, and their respective corporate seals to be hereunto affixed and duly attested, all as of the date first above written.

BANKERS TRUST COMPANY, as Trustee

by  Assistant Vice President

[CORPORATE SEAL]

Attest:

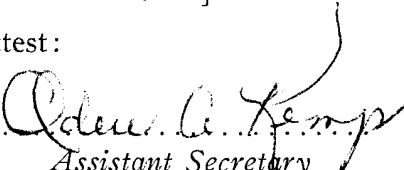

Assistant Secretary

WESTERN MARYLAND RAILWAY
COMPANY,

by  Vice President

[CORPORATE SEAL]

Attest:


Assistant Secretary

STATE OF NEW YORK }
COUNTY OF NEW YORK } ss.:

On this 27th day of April, 1972, before me personally appeared ROMANO I. PELUSO, to me personally known who, being by me duly sworn, says he is an assistant Vice President of BANKERS TRUST COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said banking association, that said instrument was this day signed and sealed on behalf of said banking association by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Amiel H. Epstein
Notary Public

[NOTARIAL SEAL]

AMIEL H. EPSTEIN
Notary Public, State of New York
No. 4540700
Qualified in New York County
Certificate of Qualification No. 259
Commission Expires March 10, 1973

STATE OF MARYLAND }
CITY OF BALTIMORE } ss.:

On this 28th day of April, 1972, before me personally appeared NORMAN C. MELVIN, to me personally known, who, being by me duly sworn, says that he is Vice President of WESTERN MARYLAND RAILWAY COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that such instrument was this day signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Barbara H. Whittington
Notary Public

[NOTARIAL SEAL]

My Commission Expires July 1, 1974.

SCHEDULE A

<u>Quantity</u>	<u>Description of Equipment</u>	<u>Lessee's Road Numbers</u>	<u>Unit Purchase Price</u>	<u>Aggregate Purchase Price</u>
150	40' 50-ton Box Cars	26501-26650	\$8,422.33	\$1,263,350

by 100 for the year in which the Loss occurs (such fraction is now $\frac{100}{100 - (.48)(100)}$). Such rate shall be adjusted for any changes in the federal, state or local tax laws after the date hereof, including changes affecting or concerning normal and surtax rates, surcharges, excess profits and other similar taxes, however denominated. If (other than for the reasons set forth below) there shall be a Loss, in whole or in part, of the ADR Deduction for any Unit, the Lessee shall, upon request of Lessor, pay to the Lessor, additional rental to compensate the Lessor for the consequent lost cumulative deferral of income tax liability (hereinafter called the Detriment), existing thereafter from time to time, as determined by the Lessor. Such Detriment shall be equal to the amount of cumulative additional income tax required to be paid by the Lessor on any increased taxable income from the time of the Loss until the end of the term of the Lease resulting from (i) the Loss and (ii) any increased taxable income during any or all years of the term of the Lease as a consequence of the adjustments which relate to the Loss. Said additional rental shall be an amount equal to $8\frac{1}{2}\%$ per annum multiplied by the Detriment applicable to each rental payment and further adjusted to provide for payment in equal amounts with each subsequent rental payment commencing with the first rental payment not less than five days after the Lessor notifies the Lessee of the required additional rental. This indemnification is intended to reimburse and make the Lessor whole for any increase in the Lessor's investment over the term of the Lease resulting from a loss of such income tax deferrals. For the purposes of this § 14, a Loss shall occur upon the earliest of (a) the happening of an event which may cause such Loss, (b) payment to the Internal Revenue Service of the tax increase resulting from such Loss or (c) the adjustment of the Lessor's tax return or of a consolidated tax return of which the Lessor

is a part to reflect such Loss. The Lessee will also pay any interest and penalties paid or which would be payable to the taxing authorities or jurisdiction if there were no other adjustments to said tax return; *provided, however*, that interest shall not run after the payment by the Lessee to the Lessor of the full amount of any indemnification then requested by the Lessor.

The Lessor shall not be entitled to a payment under this § 14 on account of any Loss or Detriment as a direct result of the occurrence of any of the following events:

- (i) a Casualty Occurrence with respect to such Unit, if the Lessee shall have paid to the Lessor the amounts stipulated under § 6 hereof;

- (ii) a voluntary transfer by the Lessor of legal title to such Unit, the disposition by the Lessor of any interest in such Unit or the reduction by the Lessor of its interest in the rentals from such Unit under the Lease, unless, in each case, an Event of Default shall have occurred and be continuing;

- (iii) the amendment either of the Hulk Purchase Agreement or the Transfer Agreement (as defined in the Reconstruction and Conditional Sale Agreement) or the Reconstruction and Conditional Sale Agreement without the prior written consent of the Lessee and such amendment causes the Lessor to sustain a loss or detriment;

- (iv) the failure of the Lessor to claim the Investment Credit or ADR Deduction, as applicable, in its income tax return for the appropriate year or the failure of the Lessor to follow proper procedure in claiming the Investment Credit or ADR Deduction, as applicable; or

- (v) the failure of the Lessor to have sufficient liability for tax against which to credit such Investment

Credit or sufficient income to benefit from the ADR Deduction, as applicable.

The Lessee's agreement to pay any sums which may become payable pursuant to this § 14 shall survive the expiration or other termination of this Lease.

On or before the first Closing Date occurring under the Reconstruction and Conditional Sale Agreement, the Lessor, as a condition to its obligation to lease the units to the Lessee hereunder, shall have received counterparts of the written opinion of Messrs. Cravath, Swaine & Moore addressed to the Lessor to the effect that for federal income tax purposes and upon such review and on the basis of such understandings as such counsel deem necessary:

A. the Lessor will be considered the owner of the Units; and

B. the Lessor will be entitled to (i) the 7% investment credit on that portion of the basis of the Units attributable to reconstruction, as provided for in Section 38 of the Code, and (ii) depreciation deductions with respect to that portion of the basis of the Units attributable to reconstruction, computed in accordance with any of the methods listed in Section 167(b) of the Code.

§ 15. *Recording; Expenses.* The Lessee will cause this Lease, the Reconstruction and Conditional Sale Agreement and any assignment hereof or thereof to be filed and recorded with the Interstate Commerce Commission in accordance with Section 20c of the Interstate Commerce Act. The Lessee will undertake the filing, recording and depositing and refiling, re-recording and redepositing required of the Lessor under Article 18 of the Reconstruction and Conditional Sale Agreement and will from time to time do and perform any other act and will execute, acknowledge, deliver, file, register, record and deposit (and will refile,

re-register, re-record or redeposit whenever required) any and all further instruments required by law or reasonably requested by the Lessor or the Vendor for the purpose of proper protection, to their satisfaction, of the Vendor's and the Lessor's respective interests in the Units, or for the purpose of carrying out the intention of this Lease or the Reconstruction and Conditional Sale Agreement; and the Lessee will promptly furnish to the Vendor and the Lessor evidences of all such filing, registering, recording or depositing, and an opinion or opinions of counsel for the Lessee with respect thereto satisfactory to the Vendor and the Lessor. This Lease and the Reconstruction and Conditional Sale Agreement shall be filed and recorded with the Interstate Commerce Commission prior to the delivery and acceptance hereunder of any Unit.

The Lessor will pay or cause to be paid the reasonable costs and expenses involved in the preparation and printing of this Lease and the Lessee will pay the reasonable costs and expenses involved in the recording of this Lease. The Lessor and the Lessee will each bear the respective fees and disbursements, if any, of their respective counsel.

§ 16. *Interest on Overdue Rentals.* Anything to the contrary herein contained notwithstanding, any nonpayment of rentals and other obligations when due hereunder shall result in the obligation on the part of the Lessee promptly to pay also an amount equal to 9% per annum of the overdue rentals for the period of time during which they are overdue.

§ 17. *Notices.* Any notice required or permitted to be given by either party hereto to the other shall be deemed to have been given when deposited in the United States

certified mails, first-class postage prepaid, addressed as follows:

if to the Lessor, at P. O. Box 318, Church Street Station, New York, N. Y. 10015, Attention: Corporate Trust Division (with a copy to General Electric Credit Corporation, at P. O. Box 8300, Stamford, Connecticut 06904 and at P. O. Box 81 (North Station), White Plains, N. Y. 10603);

if to the Lessee, at 201 Charles Street, Baltimore, Maryland;

or addressed to either party at such other address as such party shall hereafter furnish to the other party in writing.

§ 18. *Severability; Effect and Modification of Lease.* Any provision of this Lease which is prohibited or unenforceable in any jurisdiction, shall be, as to such jurisdiction, ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

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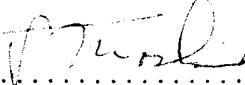
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BANKERS TRUST COMPANY, as Trustee

by 
Assistant Vice President

[CORPORATE SEAL]

Attest:

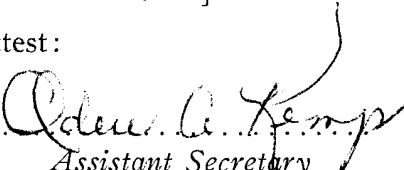

Assistant Secretary

WESTERN MARYLAND RAILWAY
COMPANY,

by 
Vice President

[CORPORATE SEAL]

Attest:


Assistant Secretary

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COUNTY OF NEW YORK } ss.:

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[Signature]
Notary Public

[NOTARIAL SEAL]

ARMEL H. BERTON
Notary Public, State of New York
No. 4540700
Qualified in the County of
Columbia, State of Maryland, Notary
Commission Expires March 10, 1973

STATE OF MARYLAND }
CITY OF BALTIMORE } ss.:

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[Signature]
Notary Public

[NOTARIAL SEAL]

My Commission Expires July 1, 1974.

SCHEDULE A

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